

APPENDIX G - FINANCIAL DOCUMENTATION

APPENDIX G-1
COMPOSITE OVERVIEW
COST NEUTRALITY FORMULA

INSTRUCTIONS: Complete one copy of this Appendix for each level of care in the waiver. If there is more than one level (e.g. hospital and nursing facility), complete a Appendix reflecting the weighted average of each formula value and the total number of unduplicated individuals served.

LEVEL OF CARE:NF

YEAR	FACTOR D	FACTOR D'	FACTOR G	FACTOR G'
1	<u>12,378</u>	<u>7,889</u>	<u>37,331</u>	<u>4,544</u>
2	<u>18,291</u>	<u>8,303</u>	<u>41,070</u>	<u>4,782</u>
3	<u>19,463</u>	<u>8,582</u>	<u>42,692</u>	<u>4,943</u>
4	<u>20,711</u>	<u>9,280</u>	<u>44,406</u>	<u>5,345</u>
5	<u>22,038</u>	<u>9,990</u>	<u>46,212</u>	<u>5,754</u>

FACTOR C: NUMBER OF UNDUPLICATED INDIVIDUALS SERVED

YEAR	UNDUPLICATED INDIVIDUALS
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1	<u>1,996</u>
2	<u>2,132</u>
3	<u>2,264</u>
4	<u>2,404</u>
5	<u>2,553</u>

EXPLANATION OF FACTOR C:

Check one:

_____ The State will make waiver services available to individuals in the target group up to the number indicated as factor C for the waiver year.

 x _____ The State will make waiver services available to individuals in the target group up to the lesser of the number of individuals indicated as factor C for the waiver year, or the number authorized by the State legislature for that time period.

The State will inform HCFA in writing of any limit which is less than factor C for that waiver year.

APPENDIX G-2
METHODOLOGY FOR DERIVATION OF FORMULA VALUES

FACTOR D

LOC: NF

The July 25, 1994 final regulation defines Factor D as:

"The estimated annual average per capita Medicaid cost
for home and community-based services for individuals
in the waiver program."

The demonstration of Factor D estimates is on the following page.

LOC: NF

Demonstration of Factor D estimates:

Waiver Year	1	X	2	3	4	5	
Waiver service Column A	# Undup. Recip. (Users) Column B		Avg. # Annual Units/User Col. C		Avg. Unit Cost Column D		Total Column E
Homemaker	1370		764		\$3.57/qtr.hr		\$3,736,648
Home Health Aide	1555		931		\$4.53/qtr hr		\$6,558,104
Adult Medical Day Care	370		105		\$45.00/day		\$1,748,250
Respite Care	25		173		\$36.00/6hour unit		\$155,700
Nursing	1798		88		\$17.18/qtr.hr		\$2,718,288
P.E.R.S	1617		12		\$35.00/mo		\$679,140
In-home Care Services	97		1061		\$11.00/hr		\$1,132,087
Residential Care	306		259.95199		\$31.98//day		\$2,543,859
Home Delivered Meals	20		40		\$6.25/meal		\$5,000
Agency Directed P.C.S	20		960		\$16.00/hr.		\$307,200
Consumer Directed P.C.S	40		960		\$16.00/hr		\$614,400
Home Modifications	74.587466		1		\$15,000 cap		\$1,118,812
Specialized Med. Equip.	25		1		\$15,000 cap		\$375,000
Assistive Tech.	25		1		\$15,000 cap		\$375,000
Assisted Living	140		260		\$50.00/day		\$1,820,000
Congregate Care	40		260		\$26.00/day		\$270,400
Consolidated Services	20		260		\$80.00/day		\$416,000
In home Mental Health	25		48		\$100.00/hr		\$120,000
Community Tran. Services	10		1		\$1,000/cap		\$10,000
Senior Companion	20		10		\$8.00/hr		\$1,600
Chore	10		10		\$10.00/hr		\$1,000
Adult Social Day	0		0		0		0
Adult Foster Home	0		0		0		0
Shared Housing	0		0		0		0
Grand Total (Sum of Column E):							\$24,706,488
Total Estimated Unduplicated Recipients:							1996
Factor D (Divide total by number of recipients):							\$12,378
Average Length of Stay							300 days

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LOC: NF

Demonstration of Factor D estimates:

STATE: New Hampshire

Waiver Year	1	2	X	3	4	5	
Waiver service Column A	# Undup. Recip. (Users) Column B		Avg. # Annual Units/User Col. C		Avg. Unit Cost Column D		Total Column E
Homemaker	1500		800		\$4.00/qtr.hr.		\$4,800,000
Home Health Aide	1600		1000		\$5.25/qtr.hr.		\$8,400,000
Adult Medical Day Care	375		208		\$45.00/day		\$3,510,000
Respite Care	50		300		\$36.00/6 hr. unit		\$540,000
Nursing	2000		250.05572		\$18.95/qtr.hr		\$9,477,112
P.E.R.S.	1620		12		\$35.00/mo		\$680,400
In-Home Care	100		1100		\$12.59/hr		\$1,384,900
Residential Care	50		300		\$32.00/day		\$480,000
Home Delivered Meals	40		520		\$6.25/meal		\$130,000
Agency Directed PCS	40		1040		\$16.00/hour		\$665,600
Consumer Directed PCS	100		1040		\$16.00/hour		\$1,664,000
Home Modifications	100		1		\$15,000/cap		\$1,500,000
Specialized Medical Equip.	30		1		\$15,000/cap		\$450,000
Assistive Tech	30		1		\$15,000/cap		\$450,000
Assisted Living	150		300		\$50.00/day		\$2,250,000
Congregate	56		300		\$26.00/day		\$436,800
Consolidated Services	50		300		\$80.00/day		\$1,200,000
In-Home Mental Health	50		52		\$100/hour		\$260,000
Community Tran. Services	25		1		\$1,000/cap		\$25,000
Senior Companion	20		50		\$8.00/hr		\$8,000
Chore	70		50		\$10.00/hr		\$35,000
Adult Social Day Care	20		208		\$35.00/day		\$145,600
Adult Foster Home	20		12		\$1,050/month		\$252,000
Shared Housing	20		12		\$1,050/month		\$252,000
Grand Total (Sum of Column E):							\$38,996,412
Total Estimated Unduplicated Recipients:							2132
Factor D (Divide total by number of recipients):							\$18,291
Average Length of Stay							300 days

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LOC: NF

Demonstration of Factor D estimates:

Waiver Year 1 ____ 2 ____ 3 _X_ 4 ____ 5 ____

STATE: New Hampshire

5

Waiver service Column A	# Undup. Recip. (Users) Column B	Avg. # Annual Units/User Col. C	Avg. Unit Cost Column D	Total Column E
Homemaker	1700	1000	\$4.00/qtr.hr.	\$6,800,000
Home Health Aide	1850	855.8158	\$5.25/qtr.hr.	\$8,312,111
Adult Medical Day Care	375	208	\$45.00/day	\$3,510,000
Respite Care	57	300	\$36.00/6 hr. unit	\$615,600
Nursing	1915	250.06333	\$18.95/qtr.hr.	\$9,074,611
P.E.R.S.	1829	12	\$35.00/mo	\$768,180
In-Home Care	130	1100	\$12.59/hr	\$1,800,370
Residential Care	100	300	\$32.00/ay	\$960,000
Home Delivered Meals	60	520	\$6.25/meal	\$195,000
Agency Directed PCS	60	1040	\$16.00/hour	\$998,400
Consumer-Directed PCS	132	1040	\$16.00/hour	\$2,196,480
Home Modifications	120	1	\$15,000/cap	\$1,800,000
Specialized Medical Equip.	40	1	\$15,000/cap	\$600,000
Assistive Tech.	40	1	\$15,000/cap	\$600,000
Assisted Living	160	300	\$50.00/day	\$2,400,000
Congregate	60	300	\$26.00/day	\$468,000
Consolidated Services	52	301.60576	\$80.00/day	\$1,254,680
In-Home Mental Health	60	60	\$100.00/hr	\$360,000
Community Tran. Services	40	1	\$1,000/cap	\$40,000
Senior Companion	30	50	\$8.00/hr	\$12,000
Chore	100	50	\$10.00/hr	\$50,000
Adult Social Day Care	85	208	\$35.00/day	\$618,800
Adult Foster Home	35	8.571428	\$1,050/month	\$315,000
Shared Housing	35	8.571428	\$1,050/month	\$315,000
Grand Total (Sum of Column E):				\$44,064,232
Total Estimated Unduplicated Recipients:				2264
Factor D (Divide total by number of recipients):				\$19,463
Average Length of Stay				300 days

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LOC: NF

Demonstration of Factor D estimates:

Waiver Year 1 2 3 4 X 5

Waiver service Column A	# Undup. Recip. (Users) Column B	Avg. # Annual Units/User Col. C	Avg. Unit Cost Column D	Total Column E
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STATE: New Hampshire

Homemaker	1905	1000	\$4.00/qtr.hr.	\$7,620,000
Home Health Aide	2013	1000	\$5.25/qtr.hr.	\$10,568,250
Adult Medical Day Care	444	208	\$45.00/day	\$4,155,840
Respite Care	60	300	\$36.00/6 hour units	\$648,000
Nursing	2000	250	\$18.95/qtr.hr.	\$9,475,000
P.E.R.S	1829	12	\$35.00/mo.	\$768,180
In-Home Care	130	1100	\$12.59/hr	\$1,800,370
Residential Care	100	300	\$32.00/day	\$960,000
Home Delivered Meals	60	520	\$6.25/meal	\$195,000
Agency Directed PCS	60	1040	\$16.00/hr	\$998,400
Consumer-Directed PCS	220	1043.89261	\$16.00/hr	\$3,674,502
Home Modifications	135	1	\$15,000/cap	\$2,025,000
Specialized Med. Equip.	50	1	\$15,000/cap	\$750,000
Assistive Tech	50	1	\$15,000/cap	\$750,000
Assistive Living	200	30	\$50.00/day	\$300,000
Congregate	75	300	\$26.00/day	\$585,000
Consolidated Services	111	300.10157	\$80.00/day	\$2,664,902
In-Home Mental Health	60	60	\$100.00/hr	\$360,000
Community Tran. Services	50	1	\$1,000/cap	\$50,000
Senior Companion	40	50	\$8.00/hr	\$16,000
Chore	100	50	10.00/hr	\$50,000
Adult Social Day Care	85	208	\$35.00/day	\$618,800
Adult Foster Home	30	12	\$1,050/month	\$378,000
Shared Housing	30	12	\$1,050/month	\$378,000
Grand Total (Sum of Column E):				\$49,789,244
Total Estimated Unduplicated Recipients:				2404
Factor D (Divide total by number of recipients):				\$20,711
Average Length of Stay				300 days

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LOC: NF

Demonstration of Factor D estimates:

Waiver Year 1 2 3 4 5 X

Waiver service Column A	# Undup. Recip. (Users) Column B	Avg. # Annual Units/User Col. C	Avg. Unit Cost Column D	Total Column E
Homemaker	2155	1000	\$4.00/qtr.hr.	\$8,620,000
Home Health Aide	2013	1000	\$5.25/qtr.hr.	\$10,568,250

STATE: New Hampshire

Adult Medical Day Care	332	260.29953	\$45.00/day	\$3,888,875
Respite Care	70	300	\$36.00/6 hour units	\$756,000
Nursing	1974	249.96122	18.95	\$+659,350,374
P.E.R.S.	2320	12	\$35.00/mo.	\$974,400
In-Home Care	135	1100	\$12.59/hr	\$1,869,615
Residential Care	150	300	\$32.00/day	\$1,440,000
Home Delivered Meals	80	520	6.25/meal	\$260,000
Agency Directed PCS	75	1040	\$16.00/hr	\$1,248,000
Consumer Directed PCS	225	1040	\$16.00/hr	\$3,744,000
Home Modifications	155	1	\$15,000/cap	\$2,325,000
Specialized Med. Equip.	60	1	\$15,000/cap	\$900,000
Assistive Tech.	60	1	\$15,000/cap	\$900,000
Assisted Living	223	300	\$50.00/day	\$3,345,000
Congregate	85	300	\$26.00/day	\$663,000
Consolidated Services	120	300	\$80.00/day	\$2,880,000
In-Home Mental Health	60	60	\$100.00/hr	\$360,000
Community Tran. Services	50	1	\$1,000/cap	\$50,000
Senior Companion	40	50	\$8.00/hr.	\$16,000
Chore	100	50	\$10.00/hr.	\$50,000
Adult Social Day Care	115	260	\$35.00/day	\$1,046,500
Adult Foster Home	40	12	\$1,050/month	\$504,000
Shared Housing	40	12	\$1,050/month	\$504,000
Grand Total (Sum of Column E):				\$56,263,014
Total Estimated Unduplicated Recipients:				2553
Factor D (Divide total by number of recipients):				\$22,038
Average Length of Stay				300 days

APPENDIX G-3

METHODS USED TO EXCLUDE PAYMENTS FOR ROOM AND BOARD

The purpose of this Appendix is to demonstrate that Medicaid does not pay the cost of room and board furnished to an individual under the waiver.

- A. The following service(s), other than respite care*, are furnished in residential settings other than the natural home of the individual(e.g., foster homes, group homes, supervised living arrangements, assisted living facilities, personal care homes, or other types of congregate living arrangements). (Specify):

Nursing services, homemaker services, home health aide services, personal care services, environmental accessibility modifications, senior companion services.

*NOTE: FFP may be claimed for the cost of room and board when provided as part of respite care in a Medicaid certified NF or ICF/MR, or when it is provided in a foster home or community residential facility that meets State standards specified in this waiver.)

- B. The following service(s) are furnished in the home of a paid caregiver. (Specify):

Personal care services, homemaker, in-home care services, and chore.

Attached is an explanation of the method used by the State to exclude Medicaid payment for room and board.

APPENDIX G-4

METHODS USED TO MAKE PAYMENT FOR RENT AND FOOD EXPENSES OF AN UNRELATED
LIVE-IN CAREGIVER

Check one:

 X The State will not reimburse for the rent and food expenses of an
unrelated live-in personal caregiver who lives with the
individual(s) served on the waiver.

 The State will reimburse for the additional costs of rent and
food attributable to an unrelated live-in personal caregiver
who lives in the home or residence of the individual served
on the waiver. The service cost of the live-in personal
caregiver and the costs attributable to rent and food are
reflected separately in the computation of factor D (cost of
waiver services) in Appendix G-2 of this waiver request.

Attached is an explanation of the method used by the State to
apportion the additional costs of rent and food attributable to
the unrelated live-in personal caregiver that are incurred by the
individual served on the waiver.

APPENDIX G-5

FACTOR D'

LOC:NF

NOTICE: On July 25, 1994, HCFA published regulations which changed the definition of factor D'. The new definition is:

"The estimated annual average per capita Medicaid cost for all other services provided to individuals in the waiver program."

Include in Factor D' the following:

The cost of all State plan services (including home health, personal care and adult day health care) furnished in addition to waiver services WHILE THE INDIVIDUAL WAS ON THE WAIVER.

The cost of short-term institutionalization (hospitalization, NF, or ICF/MR) which began AFTER the person's first day of waiver services and ended BEFORE the end of the waiver year IF the person returned to the waiver.

Do NOT include the following in the calculation of Factor D':

If the person did NOT return to the waiver following institutionalization, do NOT include the costs of institutional care.

Do NOT include institutional costs incurred BEFORE the person is first served under the waiver in this waiver year.

If institutional respite care is provided as a service under this waiver, calculate its costs under Factor D. Do not duplicate these costs in your calculation of Factor D'.

APPENDIX G-5

FACTOR D' (cont.)

LOC:NF

Factor D' is computed as follows (check one):

- ☐ Based on HCFA Form 2082 (relevant pages attached).
- ☒ Based on HCFA Form 372 for year 4 of waiver #006.90R2, which serves a similar target population.
- ☐ Based on a statistically valid sample of plans of care for individuals with the disease or condition specified in item 3 of this request.
- ☒ Other (specify):
1. Waiver years 1 through 2 are based on 5% inflation. Waiver years 1 through 3 are based on 3% inflation while Waiver years 3 through 5 are based on 8% inflation.

APPENDIX G-6

FACTOR G

LOC:NF

The July 25, 1994 final regulation defines Factor G as:

"The estimated annual average per capita Medicaid cost for hospital, NF, or ICF/MR care that would be incurred for individuals served in the waiver, were the waiver not granted."

Provide data ONLY for the level(s) of care indicated in item 2 of this waiver request.

Factor G is computed as follows:

_____ Based on institutional cost trends shown by HCFA Form 2082 (relevant pages attached). Attached is an explanation of any adjustments made to these numbers.

_____ Based on trends shown by HCFA Form 372 for years _____ of waiver #_____, which reflect costs for an institutionalized population at this LOC. Attached is an explanation of any adjustments made to these numbers.

_____ Based on actual case histories of individuals institutionalized with this disease or condition at this LOC. Documentation attached.

_____ Based on State DRGs for the disease(s) or condition(s) indicated in item 3 of this request, plus outlier days. Descriptions, computations, and an explanation of any adjustments are attached to this Appendix.

 x Other (specify):

1. Waiver Years 1 through 5 values are projected based on SFY 2003 budgeted values adjusted for detailed proposed growth in cost, clients and utilization.

2. Waiver Years 1 through 2 are based on 10% inflation while Waiver Years 2 through 4 are based on 4% inflation. Waiver Year 5 is based on 5% inflation.

If institutional respite care is provided as a service under this waiver, calculate its costs under Factor D. Do not duplicate these costs in your calculation of Factor G.

APPENDIX G-7

FACTOR G'

LOC:NF

The July 25, 1994 final regulation defines Factor G' as:

"The estimated annual average per capita Medicaid costs for all services other than those included in Factor G for individuals served in the waiver, were the waiver not granted.

Include in Factor G' the following:

The cost of all State plan services furnished WHILE THE INDIVIDUAL WAS INSTITUTIONALIZED.

The cost of short-term hospitalization (furnished with the expectation that the person would return to the institution) which began AFTER the person's first day of institutional services.

If institutional respite care is provided as a service under this waiver, calculate its costs under Factor D. Do not duplicate these costs in your calculation of Factor G'.

APPENDIX G-7

FACTOR G'

LOC: NF

Factor G' is computed as follows (check one):

- ☐ Based on HCFA Form 2082 (relevant pages attached).
- ☒ Based on HCFA Form 372 for years 4 of waiver # 0060.R2, which serves a similar target population.
- ☐ Based on a statistically valid sample of plans of care for individuals with the disease or condition specified in item 3 of this request.
- ☒ Other (specify):
1. Waiver Year 1 through 2 is based on 5% inflation while Waiver Years 3 through 5 is based on 8% inflation.

APPENDIX G-8

DEMONSTRATION OF COST NEUTRALITY

LOC:NF

YEAR 1

FACTOR D: 12,378FACTOR G: 37,331FACTOR D': 7,889FACTOR G': 4,544TOTAL: 20,267 \leq TOTAL: 41,875

YEAR 2

FACTOR D: 18,291FACTOR G: 41,070FACTOR D': 8,303FACTOR G': 4,782TOTAL: 26,594 \leq TOTAL: 45,852

YEAR 3

FACTOR D: 19,463FACTOR G: 42,692FACTOR D': 8,582FACTOR G': 4,943TOTAL: 28,045 \leq TOTAL: 47,635

APPENDIX G-8

DEMONSTRATION OF COST NEUTRALITY (cont.)

LOC:NF

YEAR 4

FACTOR D: 20,711FACTOR G: 44,406FACTOR D': 9,280FACTOR G': 5,345TOTAL: 29,991 \leq TOTAL: 49,751

YEAR 5

FACTOR D: 22,038FACTOR G: 46,212FACTOR D': 9,990FACTOR G': 5,754TOTAL: 32,028 \leq TOTAL: 51,966